



General Assembly

Amendment

January Session, 2005

LCO No. 7880

HB0694007880HDO

Offered by:
REP. JOHNSTON, 51st Dist.

To: Subst. House Bill No. 6940

File No. 792

Cal. No. 482

(As Amended)

***"AN ACT INCREASING THE AUTHORITY OF THE TREASURER
WITH RESPECT TO THE USE OF UNAPPROPRIATED GENERAL
FUND SURPLUS IN EXCESS OF THAT TRANSFERRED TO THE
BUDGET RESERVE FUND."***

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. Subsection (a) of section 3-21 of the general statutes is
4 repealed and the following is substituted in lieu thereof (*Effective July*
5 *1, 2005*):

6 (a) No bonds, notes or other evidences of indebtedness for
7 borrowed money payable from General Fund tax receipts of the state
8 shall be authorized by the General Assembly or issued except such as
9 shall not cause the aggregate amount of the total amount of bonds,
10 notes, the unfunded past service liability determined on or after the
11 effective date of this section, pursuant to section 10-183z or other

12 evidences of indebtedness payable from General Fund tax receipts
13 authorized by the General Assembly but which have not been issued
14 and the total amount of such indebtedness which has been issued and
15 remains outstanding to exceed one and six-tenths times the total
16 General Fund tax receipts of the state for the fiscal year in which any
17 such authorization will become effective or in which such
18 indebtedness is issued, as estimated for such fiscal year by the joint
19 standing committee of the General Assembly having cognizance of
20 finance, revenue and bonding in accordance with section 2-35. In
21 computing such aggregate amount of indebtedness at any time, there
22 shall be excluded or deducted, as the case may be, (1) the principal
23 amount of all such obligations as may be certified by the Treasurer (A)
24 as issued in anticipation of revenues to be received by the state during
25 the period of twelve calendar months next following their issuance and
26 to be paid by application of such revenue, or (B) as having been
27 refunded or replaced by other indebtedness the proceeds and
28 projected earnings on which or other funds are held in escrow to pay
29 and are sufficient to pay the principal, interest and any redemption
30 premium until maturity or earlier planned redemption of such
31 indebtedness, or (C) as issued and outstanding in anticipation of
32 particular bonds then unissued but fully authorized to be issued in the
33 manner provided by law for such authorization, provided, so long as
34 any of said obligations are outstanding, the entire principal amount of
35 such particular bonds thus authorized shall be deemed to be
36 outstanding and be included in such aggregate amount of
37 indebtedness, or (D) as payable solely from revenues of particular
38 public improvements, (2) the amount which may be certified by the
39 Treasurer as the aggregate value of cash and securities in debt
40 retirement funds of the state to be used to meet principal of
41 outstanding obligations included in such aggregate amount of
42 indebtedness, (3) every such amount as may be certified by the
43 Secretary of the Office of Policy and Management as the estimated
44 payments on account of the costs of any public work or improvement
45 thereafter to be received by the state from the United States or agencies
46 thereof and to be used, in conformity with applicable federal law, to

47 meet principal of obligations included in such aggregate amount of
48 indebtedness, (4) all authorized and issued indebtedness to fund any
49 budget deficits of the state for any fiscal year ending on or before June
50 30, 1991, (5) all authorized indebtedness to fund the program created
51 pursuant to section 32-285, (6) all authorized and issued indebtedness
52 to fund any budget deficits of the state for any fiscal year ending on or
53 before June 30, 2002, (7) all indebtedness authorized and issued
54 pursuant to section 1 of public act 03-1 of the September 8 special
55 session*, (8) all authorized indebtedness issued pursuant to section 3-
56 62h, and (9) any indebtedness represented by any agreement entered
57 into pursuant to subsection (b) or (c) of section 3-20a as certified by the
58 Treasurer, provided the indebtedness in connection with which such
59 agreements were entered into shall be included in such aggregate
60 amount of indebtedness. In computing the amount of outstanding
61 indebtedness, only the accreted value of any capital appreciation
62 obligation or any zero coupon obligation which has accreted and been
63 added to the stated initial value of such obligation as of the date of any
64 computation shall be included."